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SIPCAM AGRO USA, INC.

U.S. DEPARTMENT OF COMMERCE
FEDERAL MARITIME COMMISSION

August 11, 2003

Federal Maritime Commission
800 North Capitol Street
Washington DC 20573
Attn: Hon. Steven R. Blust, Chairman

Re: UPS Application for Exemption

Dear Chairman Blust:

Sipcam Agro USA Inc. supports the petition of UPS for an exemption under Section 16 of the Shipping Act of 1984 for the purpose of offering service contracts to its shippers.

Sipcam has been engaged in the agricultural and specialty chemical business since 1986. For the past seventeen years, freight and insurance for imported technical products (ranging from 150 – 300 containers annually in recent years) was for the account of our vendors. In 2003, Sipcam began being responsible for shipping containers of technical material from countries in the Far East. We expect this segment of our business to grow substantially in the future. Our most prominent destinations are central Georgia, Memphis, TN, and St. Joseph, MO.

It would be quite beneficial to us if UPS were able to offer service contracts, with confidential rates and enhanced service features customized to our particular needs. While UPS's existing services often present the best transportation solution, the ability to negotiate confidential rates for the ocean portion of our freight movements, coupled with UPS's end-to-end air or surface services in the USA, would enable us to get the most value for our shipping expenditures and enhance the specialized value-added features we could offer to our customers. This would allow us more flexibility in selecting suppliers and enable us to provide a more competitive product. This is very important to us in light of intense price and service pressure we face from our foreign competitors.

Accordingly, we support the UPS petition; and we request the Commission to grant it.

Sincerely yours,

K. A. Daniel
Vice-President and Chief Financial Officer
Sipcam Agro USA, Inc.